

Message Text

CONFIDENTIAL

PAGE 01 STATE 188451

13

ORIGIN EB-11

INFO OCT-01 EUR-25 ISO-00 COME-00 TRSE-00 STR-08 CIAE-00

INR-10 NSAE-00 RSC-01 L-03 H-03 /062 R

DRAFTED BY EB/OT/STA:EWKEMPE:CLJ

APPROVED BY EB/ITP-JCRENNER

EUR/NE:CFLOYD(INFO)

----- 033457

R 212022Z SEP 73

FM SECSTATE WASHDC

TO AMEMBASSY LONDON

C O N F I D E N T I A L STATE 188451

E.O. 11652: GDS

TAGS: ETRD, UK

SUBJECT: GOVERNMENT PROCUREMENT--BRITISH POLICIES IN
THE NORTH SEA

1. DEPUTY ASSISTANT SECRETARY RENNER RAISED WITH DEPUTY
MINISTER PRESTON THE ISSUE OF BRITISH PRESSURE ON COMPANIES
CONDUCTING OPERATIONS IN THE NORTH SEA TO BUY FROM BRITISH
NON-U.S.-OWNED SOURCES.

2. PRESTON SAID THAT IT WAS NOT THE INTENT OF THE DTI TO
DISCRIMINATE. THEREFORE, NO DISTORTIONS OF TRADE PATTERNS
SHOULD OCCUR. RENNER SAID THAT WE HAD INFORMATION WHICH
LEAD US TO BELIEVE THAT ALTHOUGH THIS MAY BE THE POLICY,
CONSIDERABLE ARM-TWISTING IS OCCURRING. THIS TYPE OF ACTIV-
ITY MADE THE ADMINISTRATION'S TASK OF OPPOSING PROPOSED
BUY-AMERICA PROVISIONS SUCH AS THE BURKE AND CARNEY
AMENDMENTS MUCH MORE DIFFICULT. AS AN INDICATION OF
CONGRESSIONAL CONCERN, RENNER SHOWED PRESTON A LETTER
RECEIVED FROM A CONSTITUENT OF SENATOR BARTLETT PROTESTING
AGAINST SUCH PRACTICES. RENNER WENT ON TO SAY THAT WE
HAD REASON TO BELIEVE IT WAS THE OBJECTIVE OF SOME OF THE
PEOPLE ADMINISTERING THE PROGRAM TO PUT NON-U.S.-OWNED
BRITISH PRODUCERS IN A BETTER POSITION TO COMPETE NOT ONLY
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 188451

IN THE NORTH SEA, BUT ELSEWHERE AS WELL AND THAT IN ORDER

TO DO SO, PRESSURE WAS BEING BROUGHT TO BEAR.

3. PRESTON ACKNOWLEDGED THAT THE POSSIBILITY OF AN EXCESS OF ZEAL ALWAYS EXISTS AND THAT THE FEAR THAT THEY WOULD BE EXCLUDED FROM FURTHER LEASING COULD LEAD U.S. COMPANIES TO BUY BRITISH. HE ALSO ACKNOWLEDGED THAT THE COMPANIES CONCERNED WOULD NOT BE LIKELY TO BRING DIRECT EVIDENCE OF IMPROPER PRESSURE TO THE ATTENTION OF U.S. AUTHORITIES. HE SAID THAT HIS STATEMENT ABOUT NON-DISCRIMINATION STOOD. IT IS THE OFFICIAL POLICY AND IF WE HAVE ANY CONCRETE EXAMPLES, HE WOULD BE PLEASED TO TAKE THEM UP WITH THE PEOPLE CONCERNED. RUSH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE DISCRIMINATION, TRADE COMPLAINTS, FOREIGN TRADE
Control Number: n/a
Copy: SINGLE
Draft Date: 21 SEP 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: collinp0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE188451
Document Source: CORE
Document Unique ID: 00
Drafter: EWKEMPE:CLJ
Enclosure: n/a
Executive Order: GS KEMPE
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730918/aaaaamue.tel
Line Count: 74
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: collinp0
Review Comment: n/a
Review Content Flags:
Review Date: 24 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24-Jul-2001 by kellew0>; APPROVED <04 MAR 2002 by collinp0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOVERNMENT PROCUREMENT--BRITISH POLICIES IN THE NORTH SEA
TAGS: ETRD, UK
To: LONDON
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005